

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)	
POWER COMPANY FOR APPROVAL OF A)	
CERTIFICATE OF PUBLIC CONVENIENCE)	
AND NECESSITY FOR ENVIRONMENTAL)	CASE NO.
PROJECT CONSTRUCTION AT THE)	2021-00004
MITCHELL GENERATING STATION, AN)	
AMENDED ENVIRONMENTAL COMPLIANCE)	
PLAN, AND REVISED ENVIRONMENTAL)	
SURCHARGE TARIFF SHEETS)	

COMMISSION STAFF'S FIRST REHEARING REQUEST FOR INFORMATION
TO KENTUCKY POWER COMPANY

Kentucky Power Company (Kentucky Power), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested is due on October 4, 2021. The Commission directs Kentucky Power to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Kentucky Power shall make timely amendment to any prior response if Kentucky Power obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Kentucky Power fails or refuses to furnish all or part of the requested information, Kentucky Power shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Kentucky Power shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to Kentucky Power's motion for rehearing, pages 1 and 5–6 and the Direct Testimony of Brian D. Sherrick, pages 12–13.

- a. Provide a schedule detailing the components of the total expenses related to the proposed Effluent Limitation Guidelines (ELG) compliance project at Mitchell Generating Station (Mitchell) incurred through July 15, 2021.

b. Provide a schedule detailing the components of Kentucky Power's expenses related to the proposed ELG compliance project at Mitchell incurred through July 15, 2021.

c. Provide a schedule detailing the components of Kentucky Power's proposed regulatory asset for expenses related to the proposed ELG compliance project at Mitchell incurred through July 15, 2021.

d. Explain how Kentucky Power's ELG related expenses are currently recorded on Kentucky Power's books.

2. Refer to Kentucky Power's motion for rehearing, page 5.

a. Explain whether 2028 represents the actual expected closure date of the Mitchell or only the expected end of Kentucky Power's involvement with Mitchell.

b. Describe the impact on the net book value of Mitchell if the Commission approves Kentucky Power's proposed depreciation rates, which assume a 2028 retirement, but Mitchell continues to operate past 2028.

c. Describe the impact on the net book value of Mitchell if the Commission denies Kentucky Power's proposed depreciation rates, which assume a 2028 retirement, and Mitchell is retired in 2028.

d. Describe the impact on the net book value of the Coal Combustion Residuals Rule (CCR) compliance projects if the Commission approves Kentucky Power's proposed depreciation rates, which assume a 2028 retirement, but Mitchell continues to operate past 2028.

e. Describe the impact on the net book value of the CCR compliance projects if the Commission denies Kentucky Power's proposed depreciation rates, which assume a 2028 retirement, and Mitchell is retired in 2028.

3. Refer to Kentucky Power's motion for rehearing, pages 5–6.

a. Provide the statutory or administrative directive that required Kentucky Power to incur ELG related expenses.

b. Explain why the ELG related expenses are extraordinary, nonrecurring expenses that could not have been anticipated or included in Kentucky Power's planning.

c. Explain the basis for Kentucky Power's request to include carrying charges on the proposed regulatory asset at the full weighted average cost of capital.

4. Refer to Kentucky Power's September 13, 2021 response to the Commission's August 19, 2021 Order, Appendix A, Item 1 (August 19, 2021 Request). Confirm that Kentucky Power will not be charged and will not pay any cost related to the proposed ELG compliance project at Mitchell incurred after the Commission's July 15, 2021 Order in this proceeding.

5. State whether Kentucky Power, American Electric Power (AEP), or Wheeling Power Company (Wheeling Power) have pursued or initiated discussion of Wheeling Power, AEP, or another AEP subsidiary acquiring Kentucky Power's 50 percent undivided interest in Mitchell.

6. As a continuing request, provide a copy of any documents filed by Wheeling Power or by the West Virginia Public Service Commission in West Virginia Public Service Commission Case No. 20-1040-E-CN. The documents should be filed as part of the status report filed every ten days pursuant to the Commission's August 19, 2021 Order, Appendix A, Item 1, and include only documents filed in Case No. 20-1040-E-CN by Wheeling Power or the West Virginia Public Service Commission since the last status report.



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DATED SEP 17 2021

cc: Parties of Record

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